

Message Text

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FM AMEMBASSY BONN

TO SECSTATE WASHDC 0626

INFO AMCONSUL BREMEN

AMCONSUL DUSSELDORF

AMCONSUL FRANKFURT

AMCONSUL HAMBURG

AMCONSUL MUNICH

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E.O. 11652: N/A

TAGS: ELAB, GW

SUBJECT: DGB CALLS FOR BUNDESTAG ACTION ON CODETERMI-
NATION AND OTHER LEGISLATIVE GOALS AND REELECTS LEADERS.

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REF: BONN 8307, 8325, 8396, 8397, 8938, 0302, 9145

1. SUMMARY. THE 10TH DGB CONVENTION IN HAMBURG MAY 25 TO 31 STRONGLY REAFFIRMED THE DGB CALLS FOR PROMPT BUNDESTAG ACTION ON ITS PRIORITY LEGISLATIVE GOALS OF EXPANDING PARITY CODETERMINATION NOW EXISTING IN THE COAL AND STEEL INDUSTRIES TO THE OTHER INDUSTRIAL SECTORS AS WELL AS ON INVESTMENT CONTROLS, VOCATIONAL EDUCATION REFORM AND MEDIA POLICY (SEPARATE REPORT FOLLOWS) AND REELECTED ITS LEADERS. THE CONVENTION ALSO WAS MARKED BY A DIALOGUE BETWEEN THE DGB AND THE FRG'S TOP GOVERNMENTAL AND POLITICAL LEADERS INCLUDING FEDERAL PRESIDENT WALTER SCHEEL, CHANCELLOR HELMUT SCHMIDT, MINISTER FOR ECONOMICS DR. HANS FRIDRICH, CDU PARTY LEADER HELMUT KOHL, THE MINISTER FOR FAMILY AND YOUTH AFFAIRS KATHARINA FOCKE AND SPD PARTY LEADER WILLY BRANDT, WHO ALL PRAISED THE DGB FOR ITS CONTRIBUTION TO THE FRG'S SUCCESSFUL ECONOMIC AND SOCIAL DEVELOPMENT, BUT DID NOT MAKE ANY FIRM COMMITMENTS EITHER ON CODETERMINATION OR INVESTMENT CONTROLS. (OTHER FRG MINISTERS WHO MADE PERSONAL APPEARANCES AT THE CONVENTION BUT DID NOT SPEAK INCLUDED DEFENSE MINISTER GEORG LEBER, LABOR MINISTER WALTER ARENDT AND EDUCATION AND SCIENCE MINISTER HELMUT ROHDE.) ALL CALLED FOR ACTION ON THE CODETERMINATION BILL, BUT THE LACK OF AGREEMENT WITHIN THE SPD/FDP COALITION GOVERNMENT ON THE BILL'S PROVISIONS STILL PERSISTS. END SUMMARY.

2. ACTUALLY THIS DGB CONVENTION WAS ONE OF THE QUIETEST DURING THE PAST 25 YEARS WITH FEW POLICY DISPUTES AND WITH THE REELECTION OF ITS LEADERS. DGB PRESIDENT, HEINZ OSKAR VETTER, RECEIVED THE HIGHEST DELEGATE SUPPORT THAT HE HAS EVER HAD IN HIS SIX YEARS OF SERVICE AS DGB PRESIDENT WITH ONLY 10 OF THE 478 DELEGATES VOTING AGAINST HIS REELECTION. THE ONLY POLICY ISSUES THAT PROVOKED SOME DEBATE WERE WOMEN'S RIGHTS, FOREIGN WORKERS, THE PERIOD BETWEEN DGB CONVENTIONS AND DGB YOUTH OFFICIAL EXEMPTIONS FROM CONSCRIPTION INTO THE ARMED FORCES. NUMEROUS INTERNATIONAL TRADE UNION LIMITED OFFICIAL USE

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FIGURES INCLUDING ICFTU PRESIDENT MACDONALD AND SECRETARY GENERAL KERSTEN, SECRETARY GENERAL OF THE EUROPEAN CONFEDERATION OF TRADE UNIONS (ETUC) THEO RASCHAAERT AND THE PRESIDENT OF THE EUROPEAN COMMISSION FRANCOIS ORTOLI AS WELL AS THE DELEGATE OF THE SOVIET AUCCTU PROCHOROV ADDRESSED THE CONVENTION AND NUMEROUS TRADE UNION DELEGATIONS CAME FROM SOUTH AMERICA, AFRICA AND ASIA. AFL-CIO DELEGATE MICHAEL BOGGS ALSO ATTENDED.

THE CONVENTION APPROVED THE PREVIOUSLY REPORTED INTERNATIONAL RESOLUTIONS AND AN ADDITIONAL STATEMENT ON PORTUGAL (SEE REFTELS).

3. THE MAIN DOMESTIC POLICY DECISION MADE BY THE CONVENTION INCLUDED CALLS FOR BUNDESTAG ACTION ON:

CODETERMINATION: THE DIALOGUE BETWEEN GOVERNMENTAL SPEAKERS AND THE DGB ABOUT BUNDESTAG ACTION ON THE GOVERNMENT'S CODETERMINATION BILL PROVIDED THE MAIN THEME FOR THIS CONVENTION. FEDERAL PRESIDENT WALTER SCHEEL, CHANCELLOR HELMUT SCHMIDT, ECONOMICS MINISTER HANS FRIDERICH AND SPD CHAIRMAN WILLY BRANDT TRIED TO CONVINCE THE DELEGATES THAT THE DGB SHOULD SUPPORT THE COMPROMISE DRAFT BILL PROPOSED BY THE GOVERNMENT TO THE BUNDESTAG.

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DGB PRESIDENT VETTER RESPONDED BY REJECTING ANY COMPROMISE ON THE ISSUE OF INCLUDING MANAGEMENT EMPLOYEES (LEITENDE ANGESTELLTE) AMONG THE LABOR MEMBERS OF THE LIMITED OFFICIAL USE

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COMPANY BOARDS OF SUPERVISORS AND STRONGLY CRITICIZED RECENT STATEMENTS OF FDP PARTY LEADERS. METAL UNION PRESIDENT EUGEN LODERER CALLED FOR "NO RETREAT" FROM THE TRADE UNION DEMANDS FOR THE INTRODUCTION OF PARITY CODETERMINATION ALONG THE LINES NOW EXISTING IN THE COAL AND STEEL INDUSTRY. THE DGB PUSHED STRONGLY FOR QUICK BUNDESTAG ACTION ON THE DRAFT CODETERMINATION LEGISLATION AND DEMANDED "UNDISGUISED PARITY CODETERMINATION" IN COMPANY BOARDS OF SUPERVISORS AS A "DECISIVE STEP TOWARD THE DEMOCRATIZATION OF THE ECONOMY AND SOCIETY" IN THE FRG.

FEDERAL PRESIDENT SCHEEL (FDP) COMMENTED: "THE TIME FOR DECISION IS RIPE. THE DECISION SHOULD COME SOON. HOWEVER, NEITHER WORKERS NOR EMPLOYERS SHOULD STAND ON RIGID POSITIONS TO FORCE ACCEPTANCE OF THEIR SOLUTION, WHICH THE OTHER SIDE MAY FIND UNACCEPTABLE. IN SUCH AN IMPORTANT QUESTION IN OUR ECONOMY AND IN OUR SOCIETY AS A WHOLE, NO ONE WILL BENEFIT IF THE OTHER SIDE IS CLEARLY DEFEATED IN THE PARLIAMENT. THE OBJECTIVE OF CODETERMINATION IS TO MAINTAIN AND TO ASSURE SOCIAL PEACE. A LAW, WHICH IS PUSHED THROUGH AGAINST THE STRONG RESISTANCE OF ONE OF THE SOCIAL PARTNERS, WILL LEAD TO PERMANENT CONFLICT IN OUR FACTORIES AND ESTABLISHMENTS THAT NO ONE WANTS. NEITHER CAN A SOLUTION BE ACCEPTED THAT WILL WEAKEN THE ABILITY OF A FIRM TO FUNCTION. THE DGB IS NOT FIGHTING WITH THEIR BACKS AGAINST THE WALL ON THE QUESTION OF CODETERMINATION. THE DGB POSITION IN OUR SOCIETY IS SO UNQUALIFIED AND UNDISPUTABLE THAT IT DOES NOT NEED TO DEMON-

STRATE ITS POWER."

CHANCELLOR SCHMIDT (SPD) REACTED BY SAYING: "A BASIC REJECTION OF THE CODETERMINATION BILL, WHICH COULD BE PASSED IN THIS BUNDESTAG LEGISLATIVE PERIOD, WOULD PLAY INTO THE HANDS OF THOSE WHO ABSOLUTELY REJECT AND WISH TO PREVENT THIS REFORM. IF THIS CODETERMINATION BILL FAILS--BUT IT WON'T FAIL--, THERE WON'T BE ANY FURTHER CHANCES IN THE FORESEEABLE FUTURE TO EXTEND CODETERMINATION BEYOND THE COAL AND STEEL INDUSTRY. IF THIS IS THE CASE, WE WOULD HAVE MISSED THE PRESENT LIMITED OFFICIAL USE

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CHANCE TO BRING CONSULTATIONS WITH THE WORKERS MORE INTO THE SOCIAL BALANCE OF OUR ECONOMIC SYSTEM. IN ADDITION I BELIEVE--AND I SPEAK ONLY FOR MYSELF - NOT FOR THE FEDERAL GOVERNMENT--, THAT A BETTER MODEL IS POSSIBLE. BUT I MUST ADD, AS A POLITICAL LEADER, THAT THOSE WHO DEMAND A PURE MODEL OF CODETERMINATION MUST ALSO PRODUCE A PURE MAJORITY IN THE PARLIAMENT THAT WILL ACT ON THE LAW. WE DON'T HAVE SUCH A MAJORITY IN THE GERMAN PARLIAMENT, BUT WE DO HAVE A COALITION OF TWO PARTIES WHO EACH STAND ON THEIR OWN FEET. EACH HAS ITS OWN POLITICAL DEVELOPMENT BEHIND IT AND EXPECTATIONS FOR THE FUTURE."

ECONOMICS MINISTER FRIDERICH (FDP) PROVED TO BE AN ADEPT SPEAKER BEFORE THIS BASICALLY UNFRIENDLY DGB AUDIENCE WHEN HE SAID: "I WILL INTENTIONALLY NOT SAY ANYTHING HERE TODAY TO MR. VETTER ABOUT THE QUESTION OF CODETERMINATION BECAUSE, AFTER REVIEWING THE RESOLUTIONS FOR YOUR CONGRESS, AND CONSULTING WITH MR. GENSCHER--CHAIRMAN OF OUR PARTY--AND OUR RESPONSIBLE REPRESENTATIVES, THE FDP WILL DEVELOP A PRECISE POSITION ON THE VARIOUS RESOLUTIONS OF THE DGB CONGRESS, ESPECIALLY ON THE QUESTION OF CODETERMINATION. I BELIEVE THAT THE PARTY CHAIRMAN SHOULD MAKE SUCH A STATEMENT RATHER THAN 24 OTHER LEADERS OF OUR PARTY, EVEN WHEN THE VICE CHAIRMAN (REFERRING TO HIMSELF) IS INVOLVED. DON'T WORRY, A CLEAR ANSWER WILL COME. BESIDES, WE HAVE THE INTENTION TO KEEP THE POLITICAL AGREEMENTS WE HAVE MADE."

SPD CHAIRMAN BRANDT EMPHASIZED: "EVERYONE HEARD FROM THE MOUTH OF CHANCELLOR SCHMIDT THAT OUR COMMITMENT TO REFORM EXISTS. IT EXISTS NATURALLY AND ESPECIALLY FOR CODETERMINATION, EVEN THOUGH WE MAY ONLY BE ABLE TO ACHIEVE THIS REFORM STEP BY STEP. I MEAN AND I SAY THAT, EVEN THOUGH I AM NOT PART OF THE GOVERNMENT, THE GOVERNMENT COALITION COMPROMISE MADE DURING MY GOVERN-

MENT WILL BE ACCEPTABLE IF OBSTACLES ARE NOT PUT IN
THE WAY OF THESE FAR-REACHING SOLUTIONS, WHICH

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REPRESENT AN ATTEMPT TO FURTHER THE DEVELOPMENT OF OUR
DEMOCRATIC AND SOCIALLY CONCERNED FEDERAL GOVERNMENT."

DGB PRESIDENT VETTER CONCLUDED THE DEBATE BY SAYING:
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"IN THE CODETERMINATION DISCUSSIONS OVER A PERIOD OF
YEARS, EVERYTHING HAS BEEN SAID THAT CAN BE SAID. I
BELIEVE NOW THE POLITICIANS MUST GIVE THEIR ANSWER
AND EVEN THE BUNDESTAG MUST GIVE AN ANSWER TO OUR
NECESSARY DEMAND FROM OUR GOVERNMENT. THEY MUST ACT
NOW. ESPECIALLY IN THE LAST FEW MONTHS--WHERE THE
WORKERS STAND IS CLEAR. WHEN DECISIONS ARE MADE THAT
AFFECT THEIR WEL-
FARE, THEY NOT ONLY WANT TO BE CONSULTED, BUT THEY WANT
THE RIGHT TO BE A PART OF THE DECISION MAKING."

4. THE CONVENTION REELECTED PRESIDENT HEINZ OSKAR
VETTER (SPD), VICE PRESIDENTS GERD MUHR (SPD) AND
MARIA WEBER (CDU) AS WELL AS EXECUTIVE COMMITTEE MEM-
BERS ALFONS LAPPAS (SPD), GUENTHER STEPHAN (SPD),
GERHARD SCHMIDT (SPD) AND MARTIN HEISS (CDU). THE
CONVENTION ROUNDED OUT THE EXECUTIVE COMMITTEE BY
ELECTING KARL SCHWAB (SPD), WHO HAD PREVIOUSLY BEEN
ELECTED BY THE DGB EXECUTIVE COUNCIL WHEN FRANZ
WOSCHECH DIED LAST YEAR, AND ALOIS PFEIFFER (SPD) TO
REPLACE RETIRING GEORG NEEMANN. PFEIFFER, WHO IS
PRESIDENT OF THE DGB LAND, GARDEN AND FORESTRY WORKERS
UNION, WAS PROPOSED BY ALFONS LAPPAS AND SUPPORT-
ED BY EUGEN LODERER AND HIS POWERFUL METALWORKERS
UNION. THE TWO CDU MEMBERS OF THE EXECUTIVE COMMITTEE,
MARIA WEBER AND MARTIN HEISS, RECEIVED THE SMALLEST
NUMBER OF VOTES BUT SUBSTANTIALLY IMPROVED THEIR CON-
VENTION DELEGATE SUPPORT AS COMPARED TO THE LAST
ELECTIONS AT THE DGB CONVENTION IN 1972.

5. IN THE AREAS OF OTHER DGB LEGISLATIVE GOALS,
SALARIED EMPLOYEES POLICY, SOCIAL POLICY, LABOR LAW
AND WAGE POLICY, MOST OF THE RESOLUTIONS WERE RESTATE-
MENTS AND UPDATING OF THE POLICIES IN THESE AREAS
APPROVED IN 1972. SINCE MANY OF ITS LEGISLATIVE GOALS
HAVE BEEN ACHIEVED DURING THE PAST SIX YEARS OF THE
BRANDT AND SCHMIDT GOVERNMENTS, THE DGB DECIDED TO
INITIATE A DISCUSSION AMONG ALL OF ITS AFFILIATES

WITHIN THE NEXT THREE YEARS TO FORMULATE A NEW PROGRAM
OF GOALS TO FIT THE PRESENT CIRCUMSTANCES. PRESENT
PLANS INCLUDE CALLING A SPECIAL CONVENTION IN 1976
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OR 1977, TO CULMINATE THIS PROCESS OF POLICY DIS-
CUSSION AND FORMULATION. DURING THE NEXT THREE YEARS,
THIS MOVE WILL REPRESENT ONE OF THE MAIN EFFORTS OF
THE DGB TO RETHINK ITS POLICY GOALS, WHICH HAVE
REMAINED BASICALLY THE SAME SINCE ITS FOUNDING CON-
VENTION IN 1949. THIS IS PARTICULARLY NECESSARY
NOW SINCE MANY OF THE KEY DGB DEMANDS, WITH THE
EXCEPTION OF THE EXTENSION OF CODETERMINATION AND VOCA-
TIONAL EDUCATION REFORM, HAVE ALREADY BECOME A PART
OF THE FRG'S SOCIAL LEGISLATION.

6. COMMENT. THE ABOVE DISCUSSION AND DGB PRESSURE
FOR ACTION ON THE CODETERMINATION BILL IN THE BUNDESTAG
WAS EXPECTED (SEE BN 0302). NEITHER CHANCELLOR SCHMIDT
NOR ECONOMIC MINISTER HANS FRIDERICH'S GAVE ANY FIRM
ASSURANCES ON THE OUTCOME OF THIS DISPUTED ISSUE.
THE ONLY ADDITIONAL POSSIBILITY (ALSO UNLIKELY) THAT
WAS MENTIONED BY SOME SOURCES IN THE SPD WAS THAT THE
SPD FACTION IN THE BUNDESTAG MAY MOVE TO EXTEND THE
BUNDESTAG SESSION ONE WEEK BEFORE IT BEGINS ITS SUMMER
VACATION IN ORDER TO ALLOW TIME FOR FURTHER ACTION ON
THE CODETERMINATION BILL.

7. MANY OBSERVERS CHARACTERIZE THIS CONVENTION AS
THE MOST ROUTINE IN YEARS CONSIDERING THE HIGHEST LEVEL
OF UNEMPLOYMENT IN MANY YEARS EXISTS NOW. THE DGB
ATTEMPTED TO EXPLAIN ITS LACK OF REAL POLICY DEBATE
IN TERMS OF ITS PRESENT STATE OF UNITY ON NEARLY ALL
OF THE KEY LABOR, ECONOMIC AND POLITICAL ISSUES FACING
THE FRG. SOME OF THE OLDER TRADE UNION LEADERS IN THE
DGB PERHAPS GAVE THE MOST KNOWLEDGEABLE ASSESSMENT
CHARACTERIZING THIS MEETING AS A "TRANSITION CONVEN-
TION" MARKING THE END OF THE PERIOD WHICH BEGAN WITH
THE FOUNDING OF THE DGB 25 YEARS AGO AND THE BEGINNING
OF A NEW ERA WHEN THE DGB WILL HAVE TO RETHINK ITS
ROLE IN THE FRG AND IN THE ECONOMY. ON THE OTHER HAND,
THE GERMAN EMPLOYERS ASSOCIATION CHARACTERIZED THE DGB
CONVENTION AS EVIDENCE THAT THE DGB "REMAINS ON ITS OLD
POLICY COURSE" AND CRITICIZED THE FACT THAT THE TRADE

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UNIONS HAVE NOT RETREATED FROM THEIR DEMANDS FOR CO-
DETERMINATION AND FOR "BASIC CHANGES IN THE FRG'S FREE

SOCIAL MARKET ECONOMY." THE DGB'S DEMAND FOR GOVERNMENT INVESTMENT CONTROLS WITH TRADE UNION PARTICIPATION LIMITED OFFICIAL USE

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INCREASES OUR CONCERNS, THE EMPLOYERS SAID. THE GERMAN ECONOMIC INSTITUTE SAID "DGB PRESIDENT VETTER HAD ANNOUNCED A THIRD ALTERNATIVE TO PRIVATE ECONOMIC PLANNING, AND A GOVERNMENT-CONTROLLED PLANNED ECONOMY WHICH WILL NOT LEAD TO A BETTER FUTURE BUT RATHER TO AN ECONOMIC AND SOCIAL DEAD END. THE SOCIAL REFORMS DEMANDED BY THE DGB WILL PUT IN QUESTION THE PRODUCTIVITY OF OUR ECONOMY."

8. WE BELIEVE IT IS STRIKING TO CONTRAST THE ATTITUDE OF THE DGB IN THIS CONVENTION WITH ITS ATTITUDE DURING THE 1966/67 RECESSION PERIOD WHEN THE UNEMPLOYMENT LEVEL WAS ALSO RELATIVELY HIGH. AT THAT TIME, THE DGB WAS ACTIVELY AND VOCIFEROUSLY CHARGING THAT THE CDU-LED COALITION GOVERNMENT HAD DELIBERATELY CREATED AN ECONOMIC RECESSION TO DISCIPLINE THE WORKERS. ON THE OTHER HAND, NOW THE DGB, WHOSE FUNCTIONARIES ARE OVER 90 PERCENT SPD SUPPORTERS, HAS BEEN VERY COOPERATIVE WITH THE SPD-LED COALITION GOVERNMENT. THUS THE LACK OF LABOR UNREST AND TENSIONS BETWEEN THE GOVERNMENT AND THE TRADE UNION MOVEMENT MAY, IN LARGE PART, BE ATTRIBUTED TO THE FACT THAT THE SPD LEADS BOTH THE GOVERNMENT AND THE TRADE UNION MOVEMENT. IN CASE THE CDU PARTY SHOULD SUCCEED IN REPLACING THE SPD IN THE GOVERNMENT AFTER THE FORTHCOMING FEDERAL ELECTIONS, PRESENT INDICATIONS ARE THAT THIS WOULD MEAN A SIGNIFICANT INCREASE IN TENSIONS BETWEEN THE FRG'S POWERFUL TRADE UNION MOVEMENT AND THE GOVERNMENT.
END COMMENT.
HILLENBRAND

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